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Approved Release 2003/04/23 : CIA-RDP85S00362R000200100005-3

IAC-M-355
5 August 1958

I N T E L L I G E N C E A D V I S O R Y C O M M I T T E E

**Minutes of Meeting Held in
IAC Conference Room, Administration Building
Central Intelligence Agency, at 1045, 5 August 1958**

**Director of Central Intelligence
Allen W. Dulles
Presiding**

MEMBERS PRESENT

**Mr. R. Gordon Arneson, acting for Director of Intelligence and
Research, Department of State
Major General Robert A. Schow, Assistant Chief of Staff, Intelligence,
Department of the Army
Rear Admiral Laurence H. Frost, Director of Naval Intelligence,
Department of the Navy
Major General Harold E. Watson, acting for Assistant Chief of Staff,
Intelligence, United States Air Force
Brigadier General R. A. Breitweiser, Deputy Director for Intelligence,
The Joint Staff
Mr. Charles H. Reichardt, acting for Atomic Energy Commission
representative to the IAC
Mr. Meffert Kuhrtz, acting for Federal Bureau of Investigation
representative to the IAC**

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IAC-M-355
5 August 1958

1. Approval of Minutes
29 July Meeting
(IAC-M-354)

Approved as written.

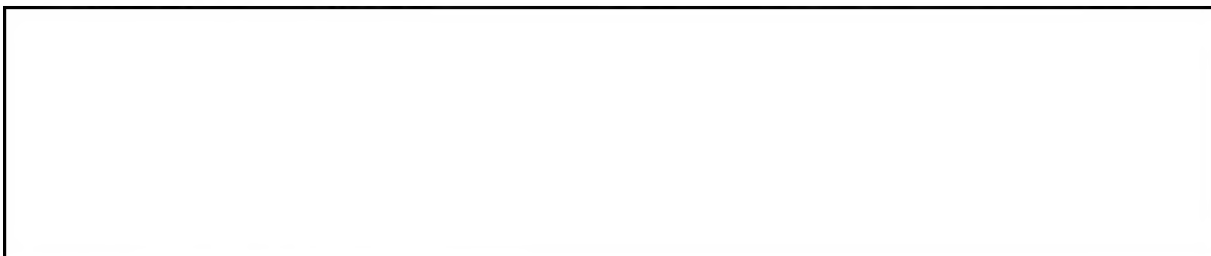
2. Situation Review

a. Watch Committee Report
No. 417

Noted.

b. Review of Sensitive Situations

The Chairman and members discussed the Taiwan Strait situation in some detail, particularly in the light of the recent Khrushchev-Mao meeting, military dispositions in the area and various reports regarding the attitudes and activities of Chinese Communists and Chinese Nationals.



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3. Initiation of Estimates

25X1 In the course of the discussion of sensitive situations Mr. [] advised the members of a Planning Board requirement for a crash estimate on the Middle East. He noted also that a special estimate on Indonesia was being drafted on a crash basis. The members concurred in the initiation of these estimates and agreed that they should be submitted for review at the next regular IAC meeting.

The Chairman read a letter from Mr. Cumming outlining a State Department requirement for an estimate dealing with the possible

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implications of a substantial increase in US-USSR trade. The members agreed to undertake the estimate as requested, with a tentative target date for IAC consideration of about 1 September.

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25X6
5.

[]
The Outlook for []

a. Approved as amended.

b. Noted the post-mortem on this estimate.

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c. Noted the validity studies on [] "The Outlook for
[]

d. No member objected to the release of this estimate to USIA.

25X1
6.

[]
The Nature of the Sino-Soviet
Bloc Economic Threat in the
Underdeveloped Areas

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a. Approved as amended. During the course of the discussion of this estimate the Chairman outlined the nature of a high-level study being made by the Business Advisory Council on the Soviet trade and aid offensive. He noted that intelligence support was being furnished to the group and stated that [] should be made available to them.

b. Noted the findings, as amended, and approved the recommended action on the post-mortem on []

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c. Noted the validity study of [] "Sino-Soviet Foreign Economic Policies and Their Probable Effects in Underdeveloped Areas."

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d. No member objected to the release of this estimate to USIA.

7. Executive Session

At 1200 the Chairman requested an executive session.

Adjournment: 1235

[]

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Secretary

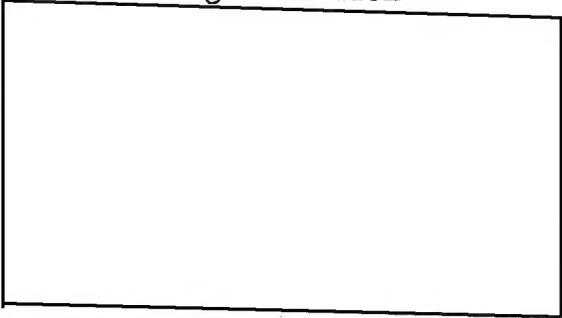
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IAC Meeting, 5 August 1958

ALSO PRESENT

Central Intelligence Agency

General Charles P. Cabell
Mr. Huntington Sheldon



Department of State

Mr. William McAfee
Mr. A. B. Wardlaw
Mr. W. W. Woodbury

Department of the Army

Lieutenant Colonel Charles H. Pratt
Lieutenant Colonel Edward L. Nicely

Department of the Navy

Captain W. S. Howell

Department of the Air Force

Colonel David S. Crist
Lieutenant Colonel J. G. Pickering, III

The Joint Staff

Colonel D. M. Garvey, USA

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IAC-M-354
29 July 1958

INTELLIGENCE ADVISORY COMMITTEE

Minutes of Meeting Held in
IAC Conference Room, Administration Building
Central Intelligence Agency, at 1045, 29 July 1958

Deputy Director of Central Intelligence
General Charles P. Cabell
Presiding

MEMBERS PRESENT

Mr. R. Gordon Arneson, acting for Director of Intelligence and
Research, Department of State
Major General Robert Schow, Assistant Chief of Staff, Intelligence,
Department of the Army
Rear Admiral V. L. Lowrance, acting Director of Naval Intelligence,
Department of the Navy
Major General James H. Walsh, Assistant Chief of Staff, Intelligence,
United States Air Force
Brigadier General Robert A. Breitweiser, Deputy Director for
Intelligence, The Joint Staff
Mr. Charles H. Reichardt, acting for Atomic Energy Commission
representative to the IAC
Mr. Sam Papich, acting for Federal Bureau of Investigation
representative to the IAC

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29 July 1958

1. Approval of Minutes
22 July Meeting
(IAC-M-353)

a. Approved as written, subject to the deletion of "and no early IAC meeting is scheduled" in the seventh and eighth lines of paragraph 3 b.

b. Mr. Sheldon referred to the question raised at last week's IAC meeting with respect to CIA assuming responsibility for transmitting to all other IAC agencies information regarding a crisis situation which was passed to CIA by another agency (IAC-M-353, item 4). He stated that, after studying the problem, it was his view that CIA should not assume this responsibility prior to the installation of its new technical facilities about 1 September. The members concurred in this view.

2. Situation Review

a. Watch Committee Report
No. 416

Noted.

b. Review of Sensitive Situations

The members noted a memorandum, dated 28 July, entitled "The Middle East Crisis," which had been concurred in by the IAC representatives. After discussion it was agreed that no further formal action should be taken on this paper, with the understanding that each member should use this report as he saw fit.

Mr. Arneson commented on the implications of the Singapore elections and the situation in Laos. He also informed the members regarding certain aspects of the talks which the Secretary of State had while he was abroad recently, including his conversation with Adenauer, discussions bearing on the Baghdad Pact and exchanges of view with the British. General Schow invited the members' attention to reports on developments in Haiti.

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3. Comparative Evaluation Studies
(IAC-D-126, 24 July; Limited
distribution)

After reviewing and discussing pertinent background information, the members concurred in Mr. Dulles' memorandum on this subject (IAC-D-126), including his designation of [redacted] as the intelligence representative on the group undertaking the initial study. It was agreed that each IAC agency would submit to the Secretary, IAC, the name of an individual who would be a point of contact for [redacted] within that agency, to facilitate the finding of experts in the field covered by this study.

4. [redacted]

a. Approved as amended.

b. No member objected to the release of this estimate to USIA.

5. [redacted]

a. Approved as amended.

b. Agreed to release this estimate to USIA.

6. [redacted]

a. Approved.

b. Agreed not to release this estimate to USIA.

7. Revision of NSCIDs

The Chairman advised that IAC-USCIB action on draft NSCID No. 6 (IAC-D-123/1, 23 July) had been completed but that the Joint Staff had raised a question with respect to draft NSCID No. 7.

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General Breitweiser then circulated copies of changes in the draft NSCID No. 7 which had been proposed by the Joint Chiefs of Staff in a memorandum to the Secretary of Defense, dated 24 February 1958, and later circulated by the Executive Secretary, NSC to the members of the NSC by a memorandum of 11 March. After discussion the members approved a revision of the new draft NSCID No. 7 incorporating the changes proposed by the Joint Chiefs of Staff. The Chairman stated that if NSA and General Erskine's office approved the draft NSCID No. 7 as revised by the IAC members, it would constitute final IAC-USCIB action on the draft NSCID No. 7.* The members noted also that, following the receipt of these formal concurrences on the draft NSCID No. 7, all of the necessary IAC-USCIB actions with respect to the draft NSCIDs 1 through 7 would have been completed and they would be ready for submission to the NSC.

8. Budgetary Discussion

The Chairman read and commented on a letter to Mr. Dulles from the Director, Bureau of the Budget, bearing on the foreign positive strategic intelligence cost estimates for the intelligence community. After discussion, the members agreed that copies of the letter and its enclosures should be circulated to each IAC member. It was also agreed that a working group, under the Chairmanship of the CIA Comptroller, should review these data and make recommendations to the IAC with respect to standardizing criteria for developing and presenting intelligence cost estimates.

9. U.S. Nuclear Tests

Dr. Reichardt informed the members regarding certain statements which the Soviet press had made with respect to U.S. nuclear tests.

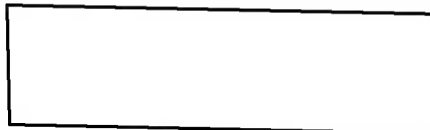
*Subsequent to the IAC meeting, NSA and General Erskine's office concurred in the draft NSCID No. 7 as revised by the IAC members.

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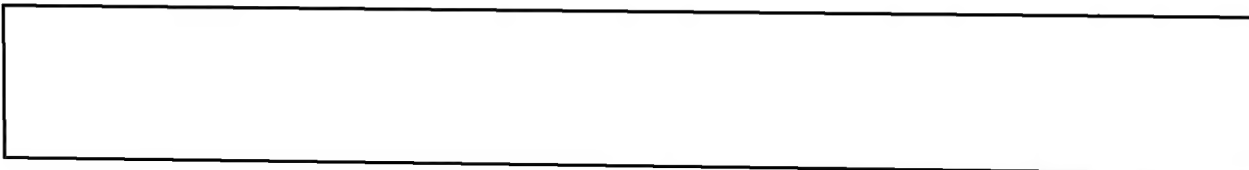
Adjournment: 1135



Secretary

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SECRETARY'S NOTE



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IAC Meeting, 29 July 1958

ALSO PRESENT

Central Intelligence Agency

Mr. Huntington Sheldon

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Dr. Otto E. Guthe

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Department of State

Mr. Robert H. Thayer
Mr. Richard Sanger
Mr. Howard Wiedemann
Mr. Theodore Nelson
Mr. Francis Williamson

Department of the Army

Lieutenant Colonel Charles H. Pratt
Lieutenant Colonel E. L. Nicely
Lieutenant Colonel Howard Thompson
Major W. O. Peak

Department of the Navy

Captain W. S. Howell
Commander C. A. Shaw
Commander Robert Gillette

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Department of the Air Force

Lieutenant Colonel J. G. Pickering, III
Mr. John A. Power

The Joint Staff

Colonel J. M. Pittman, USA
Colonel D. M. Garvey, USA
Colonel W. F. Lantz, USMC
Captain Wilson, USN